



TOWN OF NORTH ANDOVER
FINANCE COMMITTEE
Meeting Minutes
Meeting Date March 1, 2011

Meeting Location: Town Hall, First Floor
Conference Room

Meeting called to order: 6:45 PM

Mark Rodgers-MR, Chairman	x	Thom Dugan-TD	x
Ramsey Bahrawy -RB, Vice Chairman	x	Robert Norbedo-RN	x
Ben Osgood-BO	x	Matthew Remis-MRem	x
Alan LeBovidge-AL	x	Herb Cunha-HC, Minutes	
Peter Besen-PB		Pat Sifferlen, PS, Admin	x
Bonnie Wilkinson-BW	x		

Non FinCom Members in Attendance

OTHERS: -Mark Rees-MRees, Joyce Bradshaw-JB,

Note: All FINCOM votes are subject to change upon receipt of new information.

Note: Documents used in this meeting are listed in Document Table, herein.

II. Previous Minutes Approved

DATE: No minutes to approve

III. New Business

AGENDA ITEM: A. Warrant timing Overview

Discussion: -JB No warrants will be mailed to houses. April 15th deadline for recommendations and numbers. Final deadline April 29th would allow for printing needed for Town Meeting. Also looking to spend \$600 to put flyer in Spectrum magazine to notify citizens of Town Meeting.
BW. Where does \$600 come from?
JB. Already budgeted

AGENDA ITEM: B RFCC REVIEW OF THE HEALTH TRUST FUND

Discussion: -MRees. RFCC preliminary estimate of 10.5 million town funding based on current information
Town budgeted 9.974 million not sure if BCBS came up with these figures based on reimbursement from reinsurance policy.
Significant increase from fy10 to fy11 27% increase due to large claims 25 large claims totaling 3.5 million dollars.
BW What happens if we have another bad year?
MRees: Still will have significant balance in trust fund after fy11 (1.8 million in trust fund)
MR Will BCBS do an analysis behavior modification of employees.
MRees. BSBS has said that 2 million is preventable by living a healthier lifestyle and also employees are entering health system through ER instead of Primary Care.

AGENDA ITME C POSSIBLE DISPOSITION OF UNSPEND CIP FUNDS

MRees original budget called for closeout of 368K in old projects. Lyne Savage pulled a report with an itemization prior to FY11 of outstanding projects and 422k is the outstanding balance. Contacted dept heads as to why they are still open and they justified that 272k should remain open... Lyne has authority to close out less than 1K without town meeting approval
Another 40k can be closed out but needs approval from town meeting.
Main street improvement funds have approx 88k remaining would like to reprogram that money to Elm Street project improvements.
Reprogram of multipurpose tractor funds program has 108k balance would like to reprogram to buy two Terex track loaders and attachments totaling 102k balance of \$6881. Can be closed out
Reprogram of Water system/water treatment plant and rename to Water Distribution /WTP improvements. Balance left in old acct. would cover the six new projects.

AGENDA ITEM: D CIP 5% ANALYSIS REQUESTS

Discussion: -CIP with school green projects moved middle school roofing at 650k Sargent school at 240K and Atkinson School window replacement at 1,700,000 to FY 12 Total project cost w/o reimbursement or grants is 5,105,000 less grants and authorizations and 46% Green school bldg grants total net borrowing of 2,582,636
Causing Debt service /net revenue to increase to 5.51% 6/10higher than what was projected in original recommendations of 5.45%

CIP with 5% would fund 3 school projects ,roadway improvements , Elm street projects would bring it to 5.13% all other projects would be moved to
FY14to stay within the 5%

AGENDA ITEM: E. PROPOSED TOWN BUDGET DEPARTMENT OVERVIEW.

Discussion: -budget based on revenue (property tax excise tax) and state aid.
Take total revenues and subtract out non dept fixed costs and support service balance
left is for operating expenses.
First time this year support service is done this way.
MR this implies that they never get looked at.
MRrees. Requires different way of looking at them.

AGENDA ITEM: F.NEW BUSINESS

Discussion: -

AGENDA ITEM: G.

Discussion: -

IV. Next Meetings

MARCH 3,2011

V. Adjournment-

Motion: AL Yes Unanimous
Seconded: RB Time: 8:50 PM

DOCUMENTS PROVIDED AT MEETING

ITEM #	TYPE	FROM	TO	SUBJECT	COMMENTS
1	Proposed warrant book. Time line for warrant info	Joyce Bradshaw	General		
2	The health trust fund spreadsheet	Town Manager	“	RFCC review of The Health Trust fund	
3	Financial report	“	“	CIP w/school green projects & maintain 5% limit	
4	Financial Report	“	“	CIP w/School “green projects”	
5	Letter from Chief Stanley	“	“	Response to Fin Com and Selectman Questions on CIP	
6	Town Manager Recommendation	“	“	FY2012 Budget General Fund	
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ACTION ITEMS**C=Complete**

ITEM #	ACTION ITEM	INDIVID.	COMPL. DATE	STATUS
1-28	Completed items are shown in FINCOM Mtg Minutes of 4 Mar 2010 thru 28 Oct 2010 and 27 Jan 2011 for review.			C
30	Obtain copy of Osgood Landing sewer Budget from Lenny Degnan Asst to Mayor of Lawrence.	RB	17 Mar	c
32	Provide CD for New FINCOM member handbook.	MR	16 Nov	
33	Put on the Agenda, Minority Report and the formation of a FINCOM Article Sub-Committee.	MR	16 Nov	
34	Input to Mark Rees 2 scenarios, First- 5% in 2013 and Second-Otherwise scenario in 3 years.	MR/PB	3 Feb	c
35	Schedule GLSD discussion for 10-March meeting	MR		c
36	Alert town dept heads that they should come prepared to discuss special revenue funds. Purpose of fund, accountability, monitoring.	MR		c
37	Verify and explain the 17.6% increase in the outside auditor expense for FY12	LS		Inprogress
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